



INSURANCE FRAUD INVESTIGATION DIVISION

Kentucky Office of Insurance

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Charges and Convictions Activity – January 2007

John S. Bell – between 12/30/05 and 2/15/06, Bell presented to builders four fake or counterfeit certificates of insurance indicating both liability and workers' compensation coverage in order to obtain construction work requiring proof of insurance. On 11/13/06, Bell was charged with four felony counts of fraudulent insurance acts in Jefferson District Court. On 1/10/07, he pled guilty to the amended misdemeanor charge of fraudulent insurance acts with the remaining counts being dismissed. He received 12 months conditionally discharged for two years and paid \$130.00 in court costs. He also previously paid restitution in the amount of \$2,769.58.

Richard Brooks – Brooks provided false certificates of commercial liability insurance for a company he was not appointed to represent and received premium payments for the insurance. Brooks pled guilty to nine counts of Theft, a Class 1 felony under Illinois law, which relates to those victims who paid more than \$100,000 in insurance premiums to Brooks; and one count of mail fraud, a class 3 felony under Illinois law. The mail fraud count is a global one that charged Brooks with devising a scheme to defraud his customers into believing that he was providing them with commercial general liability insurance from Lloyd's of London and in some instances, auto liability insurance from Fire and Casualty Insurance Company of Connecticut, and using the mail to execute the scheme during the period of January 1, 2003 through July 1, 2005. The results of the Kentucky Insurance Fraud Investigation's case were included in the Illinois mail fraud global charge because Brooks resided in the state of Illinois. He was sentenced to 7 ½ years in prison and was taken into custody immediately.

Ricco Cunningham – On or about 10/9/04, Cunningham presented a fake insurance identification to the Jefferson County Clerk as proof of insurance. He also presented a fake card to the Jefferson County Clerk on 10/4/04. On 11/9/04, Cunningham was charged with two felony counts of fraudulent insurance acts in Jefferson District Court. On 2/18/05, he pled guilty to the amended misdemeanor charge of attempted fraudulent insurance acts. He received 365 days conditionally discharged for two years and paid \$126.50 in court costs. The other charge was merged/dismissed. This conviction is listed even though it is not recent, due to court documents not being provided in a timely manner.

James Levsey – submitted an altered receipt/estimate to State Farm Insurance after damaging a garage door with his vehicle. He indicated he paid for the repairs himself when in fact he had not. On 10/11/06, Levsey was charged with one felony count of fraudulent insurance acts in Boone District Court. On 12/19/06, he pled guilty to the amended misdemeanor charge of fraudulent insurance acts. He received 12 months conditionally discharged for two years. He was ordered to pay restitution in the amount of \$1,095.00 to the owner of the garage and a fine in the amount of \$2,190.00 to the Fraud Division for investigative expenses.

Albert Maynard, Jr. – Maynard reported a work related injury to both wrists and was taken off work. He told his workers' compensation carrier, Kentucky Employers Mutual Insurance (KEMI) that he continued to experience pain and could not work. Surveillance revealed Maynard working at a home doing painting and plaster work. On 1/12/07, Maynard was charged with one felony count of fraudulent insurance acts in Fayette District Court.

Clayton Scott Roberts – On or about 3/10/03, Roberts, a licensed agent, came into possession of an application for a life insurance policy and submitted the application to an insurance company knowing that it was forged and with intent to defraud. On 9/7/06, Roberts was charged with one felony count of criminal possession of a forged instrument 2nd degree in Fayette District Court. On 12/1/06, he pled guilty to the amended misdemeanor charge of fraudulent insurance acts. He received diversion and must complete 60 hours of community service and pay an expungement fee of \$80.00.

Christopher Staub – On or about 8/24/04, Staub presented a fraudulent workers' compensation certificate to Wilson Manufactured Homes when no such coverage was in force. On 11/30/06, Staub was charged with one felony count of fraudulent insurance acts in Bath District Court. On 1/16/07, he pled guilty to the amended misdemeanor charge of fraudulent insurance acts. He received 12 months conditionally discharged for two years and was ordered to pay a fine in the amount of \$1,734.94 to the Fraud Division for investigative expenses.

Shawn L. Waddle – On or about 6/2/03, Waddle allegedly injured his back while working for a realty company. He was placed off work and began drawing temporary total disability (TTD) benefits. Waddle told Kentucky Employers Mutual Insurance (KEMI), the workers' compensation carrier, that he was unable to bend, lift heavy objects, or walk for any length of time. Video surveillance revealed Waddle could lift a lawn mower, mow the lawn, and walk up and down hills and steps. On 3/28/06, Waddle was charged with one felony count of fraudulent insurance acts in Jefferson Circuit Court. On 10/14/06, he pled guilty to the felony count and received three years diverted for four years. He was ordered to pay restitution in the amount of \$1,695.00 to KEMI and a fine in the amount of \$1,050.00 to the Fraud Division for investigative expenses.

Tracy Walton – On or about 12/9/05, Walton submitted a forged medical status sheet to her disability carrier, Unum Provident Insurance, indicating she was unable to work when in fact she could work 20 hours per week. On 10/16/06, Walton was charged with one felony count of fraudulent insurance acts in Fayette District Court. On 12/7/06, she pled guilty to the amended misdemeanor charge of Criminal Attempt to commit fraudulent insurance acts, and received 12 months probated for two years. She was ordered to pay a fine in the amount of \$500.00 to the Fraud Division for investigative expenses, court costs of \$168.50, and a \$150.00 Public Defender fee.